

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -MAY 19, 2009- -7:30 P.M.

Mayor Johnson convened the Regular Meeting at 8:04 p.m.

ROLL CALL - Present: Councilmembers deHaan, Gilmore,
Matarrese, Tam, and Mayor Johnson - 5.

Absent: None.

AGENDA CHANGES

None.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(09-193A) Presentation on Water Emergency Transit Authority Transition Plan and Emergency Management Plan.

The Public Works Director gave a brief presentation.

John Sindzinski, Water Emergency Transit Authority (WETA) Planning Manager, gave a Power Point presentation.

Councilmember Matarrese inquired what WETA's plans are once development starts at the Former Naval Air Station; further inquired whether the ferry serving Alameda and Oakland would move to said location.

Mr. Sindzinski responded that WETA anticipates a close working relationship with the City to potentially reconfigure service or consider changes that would make the most sense given the proposed development at the Former Naval Air Station as well as ensuring that existing riders do not get short changed in the process; stated hopefully, the economy will improve by the time improvements are completed; additional ferry services are in demand.

The Public Works Director stated the Transition Plan mentions the Alameda Point location; the Alameda/Oakland Ferry Service would be transferred over to the sea plain lagoon and would link up to the Harbor Bay ferry service; staff has applied for a discretionary ferryboat grant.

Councilmember Matarrese inquired what would happen to the riders in Oakland.

Mr. Sindzinski responded plans are to keep the same level of service out of Oakland and Alameda.

Mayor Johnson stated a ferry service from Jack London Square to San Francisco has been discussed.

Mr. Sindzinski stated the model is to operate the service directly from Oakland but is based on ridership estimates done five or six years ago; now is the time to be creative; the role is to make the ferry service work for as many people as possible.

Councilmember Matarrese stated nothing is set in stone.

Mr. Sindzinski stated making services work for as many people as possible is set in stone.

Mayor Johnson stated the WETA Board discussed the obligation to ensure that attention would be given existing service levels before expanding.

Mr. Sindzinski stated the five-year plan addresses being able to operate all existing services and bringing two new routes on line.

Vice Mayor deHaan commended WETA for looking at Alameda Point as the maintenance operation; stated hopefully, the developer understands the requirements; Alameda and Vallejo requested a certain amount of Return on Investment (ROI); inquired whether the matter has been addressed.

Mr. Sindzinski responded the Transition Plan shows that existing services will be retained within the amount of funding available; costs need to be identified; a lot of work needs to be done.

Vice Mayor deHaan stated that he recalls requesting a \$2 million or \$3 million ROI.

The Public Works Director stated that he does not recall the amount; the City would be compensated for money that could be used for other purposes; negotiations are still in progress.

Keith Stahnke, Water Emergency Transit Authority Operations Manager, continued with the Power Point presentation.

Mr. Sindzinski stated WETA is very cognizant of the long tradition and history that Alameda and Vallejo have in providing ferry services; WETA is committed to keeping services viable moving forward; Alameda has very sensitive needs in the event of a disaster.

The Public Works Director noted that Mayor Johnson sits on the WETA

Board.

CONSENT CALENDAR

Mayor Johnson announced that the Quarterly Sales Tax Report [paragraph no. 09-196]; the Quarterly Treasury Report [paragraph no. 09-197]; and the Resolution Authorizing the Interim City Manager or Designee to Apply for a State Water Resources Control Board Loan [paragraph no. 09-203] were removed from the Consent Calendar for discussion.

Councilmember Tam moved approval of the remainder of the Consent Calendar.

Vice Mayor deHaan seconded the motion, which carried by unanimous voice vote - 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*09-194) Minutes of the Regular and Special City Council Meetings held on May 5, 2009. Approved.

(*09-195) Ratified bills in the amount of \$1,851,801.03.

(09-196) Recommendation to accept Quarterly Sales Tax Report for the period ending December 31, 2008.

Councilmember Tam stated there is some good news in today's economic times; Alameda is doing very well compared to the State in terms of sales tax growth; the staff report is in depth and provides good, detailed information; Harbor Bay Business Park shows a positive change of 165.2%; the City lost auto dealerships on Park Street; inquired whether Harbor Bay Business could off set the loss.

The Interim City Manager responded in the affirmative; stated the City is fortunate to have a light industrial business park; the Business Park creates jobs and also stabilizes the retail sales which are very volatile in the economic recession; business-to-business is a very healthy category.

Mayor Johnson stated that she attended a new ribbon cutting at Harbor Bay Business Park today; hopefully a restaurant will be included in the next phase; complaints have been received regarding the are not having food.

The Interim City Manager stated the staff report covers the last quarter of the last calendar year.

Mayor Johnson stated stable numbers are because of the efforts of the Development Services Department.

Vice Mayor deHaan stated the business-to-business category took a substantial drop between 2003 and 2004; the light industry segment has had substantial growth within the last two years; the business-to-business category has less impact on the General Fund; commended the Development Services Department; stated the philosophy has changed at the Harbor Bay Business Park; light industry has become prominent.

Councilmember Tam moved approval of the staff recommendation.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(09-197) Recommendation to accept Quarterly Treasury Report for the period ending March 31, 2009.

Councilmember Tam requested clarification of the City's cash assets noted in the staff report.

The Interim City Manager stated cash-on-hand includes funds in petty cash, change boxes, and the vault; cash-on-deposit includes money in Certificates of Deposits, money markets, and investments; cash-on-deposit funds are accessible fairly quickly; working capital includes funds on deposit with the Local Agency Investment Fund (LAIF); money is accessible within twenty-four hours; idle cash includes funds under management by registered investment advisors; bond proceeds include money left over from a debt issuance that are kept in a trustee account; the City's total cash assets were \$127,373,871 as of March 31, 2009.

Councilmember Tam inquired whether working capital funds would be used if the City has to deal with that State borrowing \$2 to 3 million from the City's General Fund.

The Interim City Manager responded the State would give the City a "net check;" stated the State would take money before cash is distributed; a "net check" might not be enough to pay all bills in a ninety-day period.

In response to Vice Mayor deHaan's inquiry, the Interim City Manager stated \$127,373,871 is all cash together; approximately \$8.6 million is General Fund cash.

Councilmember Gilmore inquired whether the \$127,373,871 is real cash in the aggregate from everywhere in the City and could be used

for spending.

The Interim City Manager responded the \$127,373,871 cannot be used for spending; stated the amount is cash that the City is working with to invest and pay bills.

Councilmember Tam moved approval of the staff recommendation.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(*09-198) Recommendation to set June 2, 2009, for Public Hearing to consider collection of delinquent business license fees. Accepted.

(*09-199) Recommendation to set the Public Hearing for delinquent integrated Waste Management charges for June 16, 2009. Accepted.

(*09-200) Resolution No. 14329, "To Preliminarily Approve the Annual Report Declaring the City's Intention to Order the Levy and Collection of Assessments and Providing for Notice of Public Hearing on June 16, 2009 - Island City Landscaping and Light District 84-2." Adopted.

(*09-201) Resolution No. 14330, "To Preliminarily Approve the Annual Report Declaring the City's Intention to Order the Levy and Collection of Assessments and Providing for Notice of Public Hearing on June 16, 2009 - Maintenance Assessment District 01-01 (Marina Cove)." Adopted.

(*09-202) Resolution No. 14331, "Authorizing the Interim City Manager to Apply for a Permit from Dredged Material Management Office and Other Necessary Agencies for Dredging of the Harbor Bay Ferry Channel." Adopted;

(*09-202A) Resolution No. 14332, "Authorizing CLE Engineering, Inc. of Novato, California to Represent the City of Alameda on All Matters Pertaining to Dredged Material Management Office Dredging Permit Applications." Adopted; and

(*09-202B) Resolution No. 14333, "Adopting California Environmental Quality Act Class 4 Categorical Exemption (15304 (G)) with Alameda County of the Upcoming Dredging Episode." Adopted.

(09-203) Resolution No. 14334, "Authorizing the Interim City Manager or Designee to Apply for a State Water Resources Control Board Loan in the Amount of \$3,546,000 and Execute All Associated Agreements, and Identify the Sewer Fund as the Source of Revenue for Repayment of the Loan." Adopted.

Vice Mayor deHaan stated the Development Services Department was recently loaned approximately \$3 million for the Wilver "Willie" Stargel project; that he has concerns about borrowing money from the State and using the Sewer Fund as the source of revenue for repaying the loan; the process does not seem to be correct money management.

The City Engineer stated staff planned on using economic recovery funds when interest rates were not known; staff has been advised that interest rates would be between zero and three percent; staff will finalize the loan if the proposed interest rate for the Clean Water State Revolving Fund are lower than interest rate received on the Sewer Fund balance; money is available and has been earmarked for the project; staff is trying to take advantage of any economic recovery monies available.

Vice Mayor deHaan stated that he has concerns with an internal loan.

The Interim City Manager stated Council approved a loan from the Sewer Fund to the CIC to complete the project and protect STIP funds; the CIC is paying the Sewer Fund almost 3% in interest; the Sewer Fund has the opportunity to borrow the money from the State at less interest.

Vice Mayor deHaan inquired how much interest the City is getting from the Sewer Fund to the CIC, to which the Interim City Manager responded 3%.

Vice Mayor deHaan stated the profit margin is very thin.

The Interim City Manager stated 2% is not too bad in this market.

Councilmember Tam moved adoption of the resolution.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(*09-204) Resolution No. 14335, "Approving Amendment No. 1 to the Long-Term Power Purchase Agreement between Iberdrola Renewables, Inc. and Alameda Municipal Power." Adopted.

(*09-205) Resolution No. 14336, "Of Intention to Levy an Annual Assessment on the Alameda Business Improvement Area of the City of Alameda for Fiscal Year 2009-10 and Set a Public Hearing for June 2, 2009." Adopted.

CITY MANAGER COMMUNICATIONS

Regular Meeting
Alameda City Council
May 19, 2009

(09-206) Financial "State of the City"

The Interim City Manager gave a Power Point presentation.

Mayor Johnson inquired whether the League of California Cities has taken a position regarding additional cuts threatened to cities if State propositions do not pass.

Councilmember Tam responded the League of California Cities has taken a very strong, strident position that the State should be balancing its budget with State funds instead of counting on cities; the League has launched a campaign to garner support for coalition partners that depend so heavily on cities to provide some safety net programs; cities can adopt a Resolution of Hardship if payroll cannot be made without declaring bankruptcy.

The Interim City Manager stated forty cities within California have stated they would experience financial hardship if the State borrows money from them; many cities do not have cash reserves; the convoluted logic is that cities could borrow cash with interest from the State for money that the State took from cities.

Councilmember Gilmore inquired whether the obligation to the State would be discharged if a city filed bankruptcy, to which the City Attorney responded in the negative.

Councilmember Gilmore stated bankruptcy is a creature of federal law.

Mayor Johnson stated cities need to review the City of Vallejo's [bankruptcy] case.

Councilmember Tam inquired whether the City could be eligible to pass a Resolution of Hardship.

The Interim City Manager responded there is no criteria stating that a city has to be in a certain dire state to pass a Resolution of Hardship; stated the idea behind a Resolution of Hardship is that every dime in the reserve cash balance has been spent and the city is operating on negative cash.

Councilmember Tam stated cities would be penalized for prudent financial management.

The Interim City Manager stated the City would have to stay frosty for the next few weeks to see what happens with the propositions.

Mayor Johnson stated larger cities do not have a lot of cash because obligations are so large; small cities do not have extra cash; mid-sized cities are the easiest target.

The Interim City Manager stated that larger cities are self-insured and cash is protected to pay claims; larger cities are in a cash strapped situation; Alameda can weather the storm if the situation lasts for a year; now the State is coming after larger revenues to deal with structural deficits that have occurred over twelve years.

Mayor Johnson stated the public should know the amount of money diverted by the State in the last seven years.

The Interim City Manager stated the State has taken approximately \$53 million from the City since the last recession.

Councilmember Tam stated cities were supposed to inundate the State with a thousand calls after the Governor released the May revise.

The Deputy City Manager stated that she made her case outlining how the Governor should look elsewhere for monies; that she requested local realtors and the Chamber of Commerce to call; the Chamber of Commerce alerted business associations to call; the Governor did not restore the Vehicle License Fee.

Vice Mayor deHaan stated the Vehicle License Fee was paid back quickly in the past; inquired how much is the AMP note.

The Interim City Manager responded the AMP note is the difference between the 0.4% and 1% [ROI] for the last thirty-six months, which is about \$1.2 million and does not include the loan to start the telecom enterprise; a reasonable repayment schedule needs to be reviewed.

Councilmember Tam stated an appropriate approach would be to give direction to: 1) not pursue further workforce reductions; 2) review creative ways to delay calling in AMP loans; and 3) review ways to delay funding the internal service fund debts.

The Interim City Manager stated the City needs to stay very alert and frosty; cities will need to speak louder than before.

Mayor Johnson stated there are a lot of unknowns; cities need to be very careful.

The Interim City Manager continued the Power Point presentation.

Councilmember Tam inquired whether the City could make money by

investing in Oakland's 9% tax-exempt bonds.

The Interim City Manager responded the City can buy somebody else's taxable debt; departments paying debt service would not have to pay as much if the City could make more money by investing reserve funds and making a higher return for a year or two.

Councilmember Matarrese inquired whether staff knows if Oakland would default; stated Oakland's deficit is extreme; tonight's election outcome could put Oakland's back up against the wall.

The Interim City Manager stated the City needs to review credit ratings along with what assets back the debt.

Vice Mayor deHaan inquired what is the City's current bond rating, to which the Interim City Manager respond AA-.

Vice Mayor deHaan inquired what is Oakland's bond rating.

The Interim City Manager responded that she does not know; stated the City could buy AMP's debt.

Vice Mayor deHaan inquired what is the life expectancy of the various redevelopment projects.

The Development Services Director responded the Business and Waterfront Improvement Project (BWIP) goes out to 2032; stated the West End Community Improvement Project (WECIP) goes out to 2026; Alameda Point Improvement Project (APIP) goes out to 2031.

In response to Vice Mayor deHaan's inquiry, the Development Services Director responded terms were not changed when the areas merged.

Vice Mayor deHaan inquired whether more bonding efforts are anticipated.

The Development Services Director responded in the affirmative; stated there are limitations on when debt can be issued; debt can only be issued within the first twenty years of a project area's life; staff anticipates APIP's project life will need to be extended through an amendment process.

Vice Mayor deHaan inquired what terms are granted through the amendment process.

The Development Services Director responded ten years would be requested; the normal life of a project usually coincides with the

time debt is issued, which would typically be between twenty-five and thirty years.

Vice Mayor deHaan stated the APIP clock is rolling.

The Development Services Director stated APIP debt falls on lease revenue and the Alameda Reuse and Redevelopment Authority; currently, APIP does not have any debt.

REGULAR AGENDA ITEMS

(09-207) Public Hearing to consider introduction of an Ordinance Amending the Alameda Municipal Code by Adding Section 30-60 (Bay-Friendly Landscaping Requirements for New City Landscaping Projects, City Renovation Projects, and Public-Private Partnership Projects) to Article IV (Water: Conservation Landscaping) of Chapter XXX (Development Regulations).

The Planning Services Manager gave a brief presentation.

Teresa Eade, StopWaste.Org Senior Project Manager, gave a Power Point presentation.

Vice Mayor deHaan inquired what type of grants are issued.

Ms. Eade responded that Bay-Friendly and Green Building Landscaping grants are issued; stated project teams and cities need to notify StopWaste.Org to receive technical assistance; grants range from \$5,000 to \$35,000 for Bay-Friendly Landscaping and range from \$20,000 to \$70,000 for Green Building Landscaping.

Mayor Johnson stated the City received a grant for the Library.

Ms. Eade stated the idea is to offset costs.

Vice Mayor deHaan inquired what size project could be funded through a grant.

Ms. Eade responded the City's policy would be about 10,000 square feet; stated grants require at least a 2,500 square foot irrigated area.

Councilmember Tam moved introduction of the ordinance.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(09-208) Appeal of December 17, 2008 Finance Director Decision and

March 9, 2009 Bureau of Licenses Decision to revoke the Business License of the "Purple Elephant" located at 1537 Webster Street, Suite B, Alameda.

Mayor Johnson announced that she would recuse herself because she was a hearing officer on the Bureau of Licenses appeal.

The Interim City Manager gave a brief presentation.

Vice Mayor deHaan opened the public portion of the hearing.

Proponents (In favor of appeal): Edward Higginbotham, Appellant's City Attorney; Robert Raich, Purple Elephant Collective, Inc.; Juliet Hopper, Richmond; Garland Lee Mahan, Alameda; Gary Lebitt, Alameda; Ann Channin, Alameda.

Opponents (Not in favor of appeal): Kathy Moehring, West Alameda Business Association (WABA); Robb Ratto, Park Street Business Association (PSBA).

There being no further speakers, Vice Mayor deHaan closed the public portion of the hearing.

Following Mr. Higginbotham's comments, Councilmember Gilmore stated the staff report notes that the substantive findings supporting the decision of the Interim Finance Director and the Bureau of Licenses were never challenged; the nature of the business was not described fully and accurately because of the business owner's fear of federal prosecution; the transcript notes that the business owner stated that no one puts medical cannabis on anything because other cities such as San Francisco, Oakland, and Berkeley have contracts agreeing not to turn over information to the federal government; the business owner was not provided with the form so he did not put anything down; inquired whether the business owner did not accurately describe the nature of the business.

Mr. Higginbotham responded it depends upon how accurately and completely is described; stated most businesses in the area have similar details of the business; general retail is accurate.

Councilmember Gilmore stated the substantive findings were never challenged.

Mr. Higginbotham stated the business owner has never been untruthful.

Councilmember Tam inquired whether the Purple Elephant is still operating after the two hearings, to which the Interim City Manager

responded in the affirmative.

The City Attorney stated the Appellant is permitted to continue to operate until the City reaches a final decision.

Vice Mayor deHaan inquired whether ongoing efforts have been made to consider an ordinance.

The City Attorney responded in the affirmative; stated a moratorium is currently in place on the particular land use in order to permit a study of where appropriate use would be within the City and what type of conditions would be necessary; the moratorium is in place until June of next year; a report will come back to Council.

Councilmember Matarrese stated the first assertion states that the Appellant only received eleven days notice on a hearing to show cause; inquired whether the eleven days is in contradiction with State or federal law.

The City Attorney responded in the negative.

Councilmember Matarrese stated the second assertion states that the Interim Finance Director had a conflict of interest based upon the fact of being a paid employee in the capacity of the hearing officer.

The City Attorney stated that she interprets the Haas case very differently than Mr. Higginbotham; the Haas case involved a paid hearing officer; the court discussed the inappropriateness because the hearing officer had interest in the ruling, which is not the case of an employee of the City.

Councilmember Matarrese inquired whether the Interim Finance Director's status as the hearing officer is any different than Council's status as the ultimate Appeals Board as employees of the City, to which the City Attorney responded in the negative.

Councilmember Gilmore stated that she did not see anything in the record that indicated that the Appellant received any zoning approval from the Planning and Building Department or that the Planning and Building Department had any opportunity to weigh in on the appropriateness for the City.

Councilmember Tam stated the transcript notes that the hearing officer explicitly requested what was in the Appellant's mind when stating miscellaneous retail in order to classify the type of revenue and that there was a disclosure issue during the process; that she wants to understand the classification of revenues.

The Interim City Manager stated miscellaneous retail is used when there is no other identifiable source and the business does not fit into the industrial code of index.

Councilmember Tam stated that staff should have some idea of the type of merchandise sold by classifying revenues; staff would not be able to understand whether revenues are on par with the industry without said information.

The Interim City Manager stated indicating miscellaneous retail cross checks against a certain tax rate.

Councilmember Tam stated the issue has come up in other jurisdictions where applicants have put down miscellaneous retail; the business license was challenged in court later; the court made a ruling in the 4th Appellant District in the City of Corona; the ruling states "Where a particular use of land is not expressly enumerated in a City's municipal code as constituting a permissible use, it follows that such use is impermissible;" inquired whether the use is not permissible if the City does not have an explicit permissible use for medical marijuana dispensaries.

The City Attorney responded in the affirmative; stated the Zoning Administrator would need to determine whether the use is close enough to a permissible use in a particular location; otherwise, the use would not be permissible.

Councilmember Matarrese moved approval to uphold the decision of the Bureau of Licenses to revoke the business license.

Councilmember Gilmore seconded the motion.

Under discussion, Councilmember Gilmore stated PSBA and WABA work very hard to attract new businesses; many times PSBA, WABA and the Development Services Department are aware of potential businesses looking for space before a business license is pulled; that she is not getting the sense that any dialogue occurred between the Appellant and business associations; that she is uncomfortable given the incomplete disclosure on the business license and lack of contact with local business associations; the Appellant did not solicit the opinions of the business associations; the process seems to have been done under cover.

Councilmember Matarrese stated the business activity is illegal and is in conflict with Proposition 215; the City is caught in the middle; the findings of the two previous hearings merit upholding the decisions of the Interim Finance Director and Bureau of

Licenses; what happens in the future will depend upon what happens between now and June, 2010 when the issue will be addressed during the course of the moratorium.

On the call for the question, the motion carried by the following voice vote: Ayes: Councilmembers deHaan, Gilmore, Matarrese, and Tam - 4. Abstentions: Mayor Johnson - 1.

(09-209) Resolution No. 14337, "Authorizing the Interim City Manager to Apply for Regional Measure 1 Bridge Toll Funds, Including Five Percent Unrestricted State Funds and Two Percent Bridge Toll Reserve Funds for the Operating Subsidy and Capital Projects for the City of Alameda Ferry Services, and to Enter into All Agreements Necessary to Secure These Funds for Fiscal Year 2009-10". Adopted;

(09-209A) Recommendation to authorize the Interim City Manager to execute a fourth amendment to the amended and restated Ferry Services Agreement with the Port of Oakland to extend the term for one additional year at a cost of \$70,649;

(09-209B) Recommendation to authorize the Interim City Manager to execute a one-year extension of the Sixth Amended and Restated Operating Agreement for the Alameda Harbor Bay Ferry and adopt associated budgets; and

(09-209C) Recommendation to authorize the Interim City Manager to execute an amendment to the Agreement to extend the term for one additional year of the Blue & Gold Fleet Operating Agreement with the Alameda/Oakland Ferry Service and adopted associated budgets.

The Public Works Director and Ferry Services Manager gave a brief presentation.

Mayor Johnson inquired whether WETA has seen the proposed amendment language, to which the Ferry Services Manager responded in the affirmative.

Mayor Johnson inquired what is WETA's response.

The Ferry Services Manager stated WETA is interested in meeting with the Port of Oakland to see what can be done in the event of significant expenses; WETA is interested in the Port of Oakland's timeline; the Port of Oakland will hire a consultant to perform a thorough analysis of the barge and make recommendations about what needs to be done; WETA is interested in knowing how the Gemini would be impacted; the Alameda Main Street terminal is ready and modified to handle the Gemini; the Gemini is being held back because the Port of Oakland's Clay Street dock has not been

repaired.

Mayor Johnson inquired whether the ferry would not stop at Jack London Square if the Port of Oakland withdrew funding; stated Jack London Square passengers are a significant part of the fare revenue.

The Ferry Services Manager responded the Port of Oakland contributed approximately 49% percent of all tickets purchased in 2008; stated most riders are excursion riders and do not take advantage of commuter discounts; more than 50% of fare box revenue comes from Oakland; hopefully, the Port of Oakland will move quickly.

Mayor Johnson inquired whether the entire ferry service would be in jeopardy without the Jack London service, to which the Ferry Services Manager responded in the affirmative.

Councilmember Matarrese stated that he is not willing to insert the proposed paragraph because the jump from not finding money and killing the service is very short; inquired whether tonight's action could be delayed.

The Public Works Director responded the matter could come back to Council; stated one option would be to allow the Interim City Manager to negotiate and bring the matter back before finalization.

The Ferry Services Manager stated perhaps the Blue & Gold Fleet Operating Agreement could be extended on a month-to-month basis; that he has concerns because getting on the Port of Commissioners' calendar takes approximately two months; the Port of Oakland and Blue & Gold Agreements expire June 30, 2009.

Mayor Johnson stated the Port of Oakland Agreement language needs to be reflected in the Blue & Gold Agreement.

The Ferry Services Manager stated the Agreements already have language stating that the City can suspend the Contract if funding sources do not come through.

Councilmember Gilmore stated Oakland's ability to fund dock side improvements is not technically the City's the funding source; language needs to be clear that if the Port of Oakland pulls out, it is tied to the existence of the ferry service in Oakland, not the funding source.

Vice Mayor deHaan inquired where Oakland gets funding.

The Ferry Services Manager responded from the Port of Oakland's General Fund.

Vice Mayor deHaan inquired whether the Port of Oakland is entitled to Measure B revenue.

The Ferry Services Manager responded Measure B revenue is strictly for Alameda's Ferry Services.

Mayor Johnson stated WETA has access to a lot of funding not available to the City.

The Public Works Director stated that the City Attorney is saying that Council could extend the Port of Oakland and Blue & Gold Agreements on a month-to-month basis.

The City Attorney stated Council could authorize the Interim City Manager to negotiate a fourth amendment with the understanding that the new paragraph proposed would not be included.

Vice Mayor deHaan inquired what is WETA's position on taking over the Ferry Service.

The Ferry Services Manager responded the tentative transfer date is January 1, 2010; stated WETA has discussed using Measure 1B Preparation Funds for the Port of Oakland barge; WETA would need to negotiate with the Port of Oakland.

Mayor Johnson stated that maintaining Oakland's ferry service is important because of the Oak Street to Ninth Street development.

Councilmember Matarrese moved approval of the staff recommendation to apply for Regional Measure 1 Funds.

Councilmember Tam seconded the motion, which carried by unanimous voice vote - 5.

Councilmember Matarrese moved approval of a month-to-month extension to the existing terms for the Blue & Gold and Port of Oakland Agreements.

Councilmember Gilmore seconded the motion, which carried by unanimous voice vote - 5.

Councilmember Matarrese moved approval of authorizing the Interim City Manager to execute the amendment to the Harbor Bay Ferry Service Agreement.

Councilmember Gilmore seconded the motion, which carried by unanimous voice vote - 5.

The City Attorney stated Council may want to authorize the Interim City Manager to negotiate a fourth amendment to the Port of Oakland Ferry Service Agreement.

Councilmember Matarrese moved approval of authorizing the Interim City Manager to negotiate a fourth amendment to the Port of Oakland Ferry Service Agreement.

Councilmember Gilmore seconded the motion, which carried by unanimous voice vote - 5.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL REFERRALS

None.

COUNCIL COMMUNICATIONS

(09-210) Mayor Johnson requested that consideration of appointment to the Youth Commission be placed on the next City Council agenda.

(09-211) Vice Mayor deHaan stated that the Mif Albright Golf Course is reopening Friday.

(09-212) Vice Mayor deHaan stated an application has been submitted for a Flea Market at the College of Alameda; there were major concerns with the Antique Fair at Alameda Point; the community has concerns with re-establishing a Flea Market in the West End; hopefully, outreach has been done within the community and business associations regarding the matter.

(09-213) Vice Mayor deHaan stated transmitting the last City Council meeting was problematic; inquired whether there is a backup system.

Mayor Johnson inquired whether the problem was with Comcast or the City.

The Public Works Director responded the problem was a Public Works problem; stated there was a staff mix up; staff corrected the problem as soon as they were aware.

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the Regular Meeting at 11:15 p.m.

Respectfully submitted,

Lana Stoker
Acting City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL JOINT CITY COUNCIL,
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY (ARRA)
AND COMMUNITY IMPROVEMENT COMMISSION (CIC) MEETING
TUESDAY- -MAY 19, 2009- -6:45 P.M.

Mayor/Chair Johnson convened the Special Meeting at 6:50 p.m.

ROLL CALL - Present: Councilmembers/Board Members/Commissioners
deHaan, Gilmore, Matarrese, Tam, and
Mayor/Chair Johnson - 5.

Absent: None.

Public Comment: Jean Sweeney, Alameda, stated that development agreements are enforceable by law even if the development does not materialize as long as there is public benefit; SunCal has already sold their interest to D. E. Shaw; the Alameda Point Master Plan has twenty pages of parks that may or not happen and contains big promises about saving the historic buildings; the SunCal initiative has a different story; demolishing three hundred buildings to make way for six thousand homes on toxic land in a flood plain; to rip off Alameda citizens is unconscionable.

The Special Meeting was adjourned to Closed Session to consider:

(09-192 CC/ARRA/09-17 CIC) Conference with Real Property Negotiators (54956.8); Property: Alameda Point; Negotiating parties: City Council / AARRA / CIC / SunCal; Under negotiations: Price and terms.

Following the Closed Session, the Special Meeting was reconvened and Mayor/Chair Johnson announced that the City Council, ARRA, and CIC received a briefing on the status of negotiations with SunCal; no action was taken.

Adjournment

There being no further business, the Special Joint meeting was adjourned at 7:40 p.m.

Respectfully submitted,

Lana Stoker, Acting City Clerk
Acting Secretary, CIC

The agenda for this meeting was posted in accordance with the Brown Act.

MINUTES OF THE SPECIAL JOINT CITY COUNCIL AND
COMMUNITY IMPROVEMENT COMMISSION (CIC) MEETING
TUESDAY- -MAY 19, 2009- -7:27 P.M.

Mayor/Chair Johnson convened the Joint Meeting at 7:46 p.m.

ROLL CALL - Present: Councilmembers/Commissioners deHaan,
Gilmore, Matarrese, Tam, and Mayor/Chair
Johnson - 5.

Absent: None.

CONSENT CALENDAR

Councilmember/Commissioner Matarrese moved approval of the Consent Calendar.

Councilmember/Commissioner Tam seconded the motion, which carried by unanimous voice vote - 5.

[Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*09-18 CIC) Minutes of the Special Community Improvement Commission Meeting held on April 7, 2009, and the Special Joint City Council/Alameda Reuse and Redevelopment Authority/Community Improvement Commission Meeting held on April 14, 2009. Approved.

(*09-193 CC) Resolution No. 14328, "Approving and Adopting the Report to the City Council on the Proposed Amendments to the Community Improvement Plans for the Business and Waterfront Improvement Project and the West End Community Improvement Project, Submitting the Report and Proposed Amendments to the City Council, and Consenting to and Requesting the City Council to Call a Joint Public Hearing on the Proposed Amendments." Adopted; and

(*09-019 CIC) Resolution No. 09-195, "Consenting to and Calling Joint Public Hearings on the Proposed Amendments to the Community Improvement Plans for the Business and Waterfront Improvement Project and the West End Community Improvement Project." Adopted.

AGENDA ITEMS

None.

ADJOURNMENT

There being no further business, Mayor/Chair Johnson adjourned the Special Joint Meeting at 7:47 p.m.

Respectfully submitted,

Lana Stoker, Acting City Clerk
Acting Secretary, Community
Improvement Commission

The agenda for this meeting was posted in accordance with the Brown Act.